

UNITED STATES DISTRICT COURT  
SOUTHERN DISTRICT OF NEW YORK

-----X  
CAPITOL RECORDS, INC.,  
a Delaware corporation,

Plaintiffs,

- v -

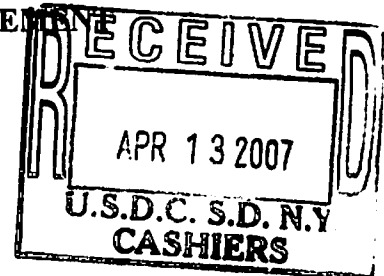
DIRECT SOURCE, a Canadian corporation,

Defendant.  
-----X

**JUDGE KARAS**

**07 CV 2995**  
Case No.

RULE 7.1 STATEMENT

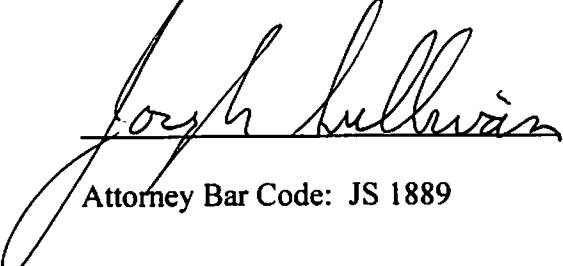


Pursuant to Federal Rule of Civil Procedure 7.1 [formerly Local General Rule 1.9] and to enable District Judges and Magistrate Judges of the Court to evaluate possible disqualification or recusal, the undersigned counsel for Capitol Records, Inc. (a private non-governmental party) identifies the following parent corporations and any publicly held company that owns 10% or more of any of Plaintiff's stock.

Capitol-EMI Music Inc.  
EMI Group North America Holdings, Inc.  
EMI Group International BV  
EMI Group Holdings BV  
EMI Group International Holdings Ltd.  
EMI Group Worldwide Ltd.  
Virgin Music Group Ltd.; and  
EMI Group plc.

EMI Group plc is publicly traded on the London Stock Exchange.

Date: April 13, 2007

  
Attorney Bar Code: JS 1889